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**BEFORE THE MONTANA STATE AUDITOR
COMMISSIONER OF SECURITIES AND INSURANCE**

In the Matter of the Proposed Agency
Action Against Christopher Maurice
Martin

Case No. INS-2021-237

**NOTICE OF PROPOSED AGENCY
ACTION AND OPPORTUNITY
FOR HEARING**

TO: Christopher Maurice Martin
701 Pebble Beach Rd. #4
Billings, MT 59105

The Commissioner of Securities and Insurance, Office of the Montana State
Auditor, (Commissioner) has cause to believe that Christopher Maurice Martin

(Respondent) has violated the Montana Insurance Code, §§ 33-1-101, *et seq.*, MCA. The Commissioner proposes a fine of \$1,500 for administrative insurance fraud. The Commissioner has the authority to take these actions under §§ 33-1-311, 33-1-317, 33-17-1001, 33-1-1202, 33-1-1211, 33-1-1302, 2-4-631, MCA, and as more fully described below. The following is a proposed agency action. Acceptance of CSI's proposed action will resolve this matter and it will be deemed a Final Agency Action based on the facts and law set out below. If Respondent chooses not to accept the proposed action, he may demand an administrative hearing, but that demand must be in writing and received by the Commissioner within 24 days of the date this Notice, as described in the Statement of Rights below.

FACTUAL ALLEGATIONS

1. Respondent is a resident of Montana, residing at 701 Pebble Beach Rd. #4, Billings, MT 59105.
2. At all times relevant to this case, Respondent was the owner of a 2005 BMW X5. All relevant events occurred in the State of Montana.
3. Before Respondent owned the BMW, it was previously reported as a total loss on July 6, 2018, following hail damage in Colorado.
4. Respondent purchased the BMW on an unknown date following that damage. He insured the vehicle through Allstate Insurance Company (Allstate) on

an unknown policy. On June 21, 2019, Respondent initiated a claim with Allstate for hail damage to the BMW that he claimed occurred in Roundup, Musselshell County, Montana.

5. A damage estimate by Big Sky Collision Center in Billings, Montana, estimated the total cost of repair would be \$4,131.82.

6. Allstate paid Respondent for the damages claim and sent him a check for \$3,041.82 for the covered portion of the damages. However, Respondent never had the hail damage repaired.

7. On September 17, 2019, Respondent applied for insurance for the 2005 BMW X5 through Mutual of Enumclaw Insurance Company (Enumclaw) under policy no. 000987945583.

8. The application specifically asked whether any of the vehicles on the policy had existing damage. Respondent answered “no,” although the BMW had preexisting hail damage.

9. On July 6, 2020, Respondent made a claim to Enumclaw for hail damage to the BMW he said occurred July 3, 2020. Respondent did not disclose the previous hail damage at that time.

10. A claims adjuster from Enumclaw subsequently called Respondent, and he informed the adjuster that he believed the damage was enough to render the vehicle a total loss. The adjuster replied that an appraiser had not even looked at the

vehicle yet.

11. Respondent also argued with the adjuster about what valuation system would be used. He expressed concerns about how the vehicle would be valued and how much compensation he would receive.

12. After this, the vehicle was appraised, and Enumclaw initially offered to settle the claim for \$6,878.99 on the condition that Respondent provide proof of loss statements. Respondent accepted.

13. Enumclaw subsequently discovered the previous hail damage claim Respondent made to Allstate.

14. When Enumclaw called Respondent for his proof of loss statement, he stated that he was canceling his insurance with Enumclaw and would not speak to them any further. Enumclaw closed the claim without paying it.

ASSERTIONS OF LAW

1. The Commissioner takes this action under the authority granted to him by the Montana Insurance Code (§ 33-1-101, MCA, et seq.), which authorizes the Commissioner to act in protection of insurance consumers and in the public interest.

2. After following the procedures provided by § 33-1-701, MCA and upon a finding by the Commissioner that a violation of the Montana Insurance Code has occurred, the Commissioner may impose a fine of up to \$25,000 upon a person

who violates § 33-1-1202(3), MCA. *See* § 33-1-317, MCA.

3. A person commits the act of administrative insurance fraud under M.C.A. § 33-1-1202(3), when the person presents or causes to be presented to an insurer a materially false application for insurance.

4. A person also commits the act of administrative insurance fraud under M.C.A. § 33-1-1202(1) when the person, for the purpose of obtaining any money or benefit, presents or causes to be presented to any insurer any written or oral statement, including computer-generated documents, containing false, incomplete, or misleading information concerning any fact or thing material to a claim for payment or other benefit pursuant to an insurance policy.

5. Respondent committed insurance fraud by presenting a materially false application for insurance to Enumclaw when he applied to insure the 2005 BMW but falsely omitted the preexisting hail damage to the vehicle when asked.

6. Respondent also committed administrative insurance fraud when, for the purpose of obtaining money or benefit, he presented a claim to Enumclaw for hail damage based on false, misleading, or incomplete information he provided by not disclosing that the BMW had been previously damaged by hail before he initiated the claim for hail damage.

PROPOSED AGENCY ACTION

The Commissioner in his discretion, considering the gravity, number of offenses, and financial loss involved, and to protect the public health, safety, and welfare, and after a hearing conducted under § 33-1-701, MCA, proposes a fine of \$1,500.

STATEMENT OF RIGHTS


Respondent is entitled to contest the Commissioner's proposed action by requesting an administrative hearing. To do so, within 24 days of the date this Notice, Respondent must submit a hearing request in writing to Ole Olson, 840 Helena Avenue, Helena, MT 59601 or OOlson@mt.gov. A hearing request may also include a response to the allegations set forth above. If a hearing is requested, Respondent will be provided notice of the time, place, and nature of the hearing. Respondent will be entitled to attend this hearing and respond and present evidence and arguments on all issues involved in this action.

Administrative hearings are conducted by an impartial hearing examiner appointed by the Commissioner under the provisions of the Montana Administrative Procedures Act. Formal proceedings may be waived pursuant to § 2-4-603, MCA. Respondent has the right to be represented by an attorney at any and all stages of this proceeding.

POSSIBILITY OF DEFAULT

Failure to timely provide a written hearing request shall result in the entry of a default order imposing the Commissioner's proposed action, without additional notice, pursuant to Montana Administrative Rule 1.3.214.

DATED December 10, 2021.

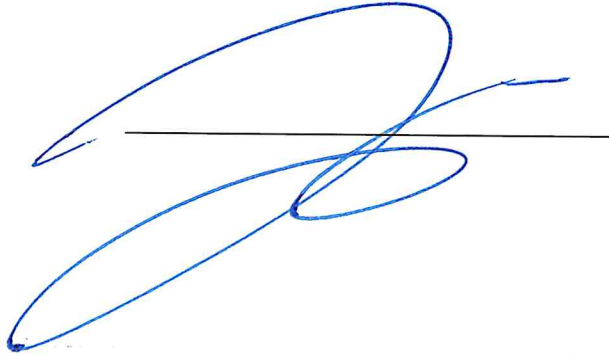
By: 
OLE OLSON, Chief Legal Counsel
Commissioner of Securities and Insurance
Office of the Montana State Auditor

CERTIFICATE OF SERVICE

I hereby certify that I caused a true and accurate copy of the foregoing to be mailed to:

Christopher Maurice Martin
701 Pebble Beach Rd. #4
Billings, MT 59105

DATED: December 10, 2021

A handwritten signature in blue ink is written over a horizontal line. The signature is stylized, with a large loop at the top and a smaller loop at the bottom, crossing the line.